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10 Attorneys for Debtor and Debtor in Possession,  
11 Atherton Financial Building LLC  
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10 **UNITED STATES BANKRUPTCY COURT**  
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12 **CENTRAL DISTRICT OF CALIFORNIA**  
13  
14 **LOS ANGELES DIVISION**

15 In re:  
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17 ATHERTON FINANCIAL BUILDING, LLC,  
18  
19 Debtor and Debtor in Possession.

20 Case No.: 2:14-bk-27223-TD  
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22

23 Chapter 11 Case  
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26 **DEBTOR'S NOTICE OF MOTION AND**  
27 **MOTION TO APPROVE SETTLEMENT**  
28 **AND COMPROMISE; MEMORANDUM**  
29 **OF POINTS AND AUTHORITIES AND**  
30 **DECLARATION OF BENJAMIN KIRK**  
31 **IN SUPPORT THEREOF**

32 Hearing:

33 Date: June 3, 2015  
34 Time: 2:00 p.m.  
35 Place: Courtroom 1345  
36 255 E. Temple Street  
37 Los Angeles, CA 90012  
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1       **PLEASE TAKE NOTICE** that a hearing will be held at the above-referenced date, time,  
2 and location to consider this motion (the “Motion”) by Atherton Financial Building LLC, the  
3 debtor and debtor in possession herein (the “Debtor”), for an order to approve settlement and  
4 compromise with Bank SinoPac (“Bank”) which is set forth in that certain Stipulation for  
5 Immediate Entry of Declaratory Judgment (the “Stipulation”) attached to the Motion as **Exhibit**  
6 “**A**”. The foregoing settlement will resolve adversary proceeding 2:15-ap-01145-TD commenced  
7 by the Bank (the “Adversary Proceeding”) and, further, final resolution and dismissal of this  
8 bankruptcy case.

9       **PLEASE TAKE FURTHER NOTICE** that this Motion is (1) made pursuant to Fed. R.  
10 Bankr. P. 9019 and Local Bankruptcy Rule (“LB”) 9013-1 and (2) based on this Notice of  
11 Motion and Motion, the annexed memorandum of points and authorities and declaration in  
12 support of the Motion, the record in the Bankruptcy Case and Bank Adversary Proceeding, and all  
13 other evidence submitted and arguments made in support of the Motion.

14       **PLEASE TAKE FURTHER NOTICE** that, pursuant to LBR 9013-1(f), any opposition  
15 to the Motion must (1) be in writing and include all reasons and evidence in support of the  
16 opposition, (2) be filed at least fourteen (14) days prior to the hearing on the Motion, and (3) be  
17 served on the counsel to the Debtor.

18       **PLEASE TAKE FURTHER NOTICE** that, pursuant to LBR 9013-1(h), the Court may  
19 deem the failure to file a timely opposition to the Motion to constitute consent to the granting of  
20 the Motion and the relief requested therein.

21       **WHEREFORE**, the Debtor respectfully requests that the Court enter an order:

- 22       1.       granting the Motion in its entirety;
- 23       2.       approving the Stipulation;
- 24       3.       entering the Judgment on the Stipulation, which is attached to the Stipulation as  
25 Exhibit “3”;
- 26       4.       authorizing and instructing the Debtor, through its bankruptcy counsel, to pay \$1.5  
27 million to the Bank from funds maintained by Debtor’s counsel;

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1       5.      dismissing the bankruptcy case upon payment of outstanding administrative  
2 claims, including professional fees of Debtor's counsel and US Trustee quarterly fees; and  
3       6.      affording such further and other relief as is warranted under the circumstances.

4 Dated: May 13, 2015

5                   LEVENE, NEALE, BENDER, YOO  
6                   & BRILL L.L.P.

7                   By: /s/ David B. Golubchik  
8                   DAVID B. GOLUBCHIK

9                   TODD M. ARNOLD

10                  Attorneys for Debtor and Debtor in Possession,  
11                  Atherton Financial Building LLC

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## **MEMORANDUM OF POINTS AND AUTHORITIES**

I.

## **STATEMENT OF FACTS**

**A. THE BANKRUPTCY CASE, THE ADVERSARY PROCEEDING, AND RELATED ACTIONS**

On September 9, 2014 (the “Petition Date”), the Debtor filed its Bankruptcy Case. The Bankruptcy Case was filed to avert imminent foreclosure on the Debtor’s primary asset, a piece of commercial real property (the “Property”), and to preserve the value of the Property for the benefit of all creditors and equity holders.

10 The Debtor's Statement of Financial Affairs (the "SOFA") [Dkt. 13] indicates that four  
11 entities own all of the membership interests in the Debtor. The SOFA does not indicate that Lucy  
12 Gao ("Gao") owns any membership interests in the Debtor. No party objected to information  
13 contained in the SOFA regarding membership interests in the Debtor or asserted a membership  
14 interest in the Debtor inconsistent with the SOFA.

15 Soon after the Petition Date, the Debtor filed a motion and obtained Court authority to sell  
16 the Property. [Dkt. 33 (motion) and 46 (order)] The sale of the Property closed on or about  
17 December 8, 2014. Soon after the closing, the Debtor paid all related secured claims and tax  
18 claims. Pursuant to an order of the Court, the Debtor's bankruptcy counsel, Levene, Neale,  
19 Bender, Yoo & Brill L.L.P. ("LNBYB"), held the balance of the sale proceeds in the approximate  
20 amount of \$3.5 million (the "Funds").

21 Since the Bankruptcy Case was filed in order to avert foreclosure on the Property pending  
22 a sale, once the sale of the Property was completed, the Debtor no longer required bankruptcy  
23 protection. Therefore, on December 24, 2014, the Debtor filed its Motion for Order (1)  
24 Authorizing Disbursement of Funds to Creditors; and (2) Dismissal of Bankruptcy Case (the “BK  
25 Dismissal Motion”) [Dkt. 50]. Pursuant to the BK Dismissal Motion, the Debtor sought authority  
26 to pay all unpaid claims from the Funds and entry of an order dismissing the Bankruptcy Case.  
27 Gao filed a limited objection to the BK Dismissal Motion asserting that she owned 100% of the  
28 membership interests in the Debtor and, therefore, should be paid the balance of the Funds

1 remaining after the payment of all claims [Dkt. 53]. At the hearing, the Court authorized the  
2 Debtor to pay all claims of the estate from the Funds, and continued to hearing to consider  
3 dismissal of the case.

4 On January 20, 2015, Gao initiated the Gao Adversary Proceeding of Lucy Gao v.  
5 Atherton Financial Building LLC (2:15-ap-01024-TD) seeking, inter alia, a declaratory judgment  
6 that Gao is the sole member of the Debtor and, therefore, entitled to the balance of the Funds  
7 remaining after the payment of amounts authorized by the Court. This adversary proceeding was  
8 subsequently dismissed.

9 On March 6, 2015, the Debtor filed a Stipulation Directing Disposition of Sale Proceeds  
10 and Dismissal of Case (the “BK Dismissal Stipulation”) [Dkt. 63]. The Dismissal Stipulation,  
11 which resolved Gao’s objection to the BK Dismissal Motion, provided that, after paying  
12 outstanding claims against the Debtor, including fees owed to the Office of the United States  
13 Trustee and professional fees and expenses owed to LNYB, and a retainer to LNYB for an  
14 anticipated bankruptcy filing for an affiliate of the Debtor, (1) the balance of Funds would be paid  
15 to PA One, LLC (“PA One”) and (2) the Bankruptcy Case would be dismissed.

16 On March 8, 2015, Bank SinoPac Los Angeles Branch (the “Bank”) filed an objection to  
17 the Dismissal Stipulation (the “BK Dismissal Stipulation Objection”) [Dkt. 65]. In the BK  
18 Dismissal Stipulation Objection, the Bank asserted Gao owed it in excess of \$2.8 million, as  
19 asserted in the Bank’s complaint against Gao in a state court action for breach of guaranty (the  
20 “Bank/Gao Action”). The Bank further asserted that, given Gao’s argument of a 100% ownership  
21 interest in the Debtor, which the Bank supported, no additional distributions of the Funds should  
22 be made pending a determination of Gao’s ownership interest in the Debtor, because any funds  
23 payable to Gao on account of her ownership interests should be paid to the Bank to satisfy its  
24 claims against Gao. The Bank also asserted that distribution of the Funds to PA One would result  
25 in the Bank having numerous claims against the Debtor, Gao, Kirk, and others.

26 On March 17, 2015, the Bank initiated its Bank Adversary Proceeding against the Debtor,  
27 Gao, Kirk, other purported membership owners of the Debtor, and PA One asserting five  
28 declaratory relief claims and one injunctive relief claim. In the Bank Adversary Proceeding, the

1 Bank is seeking, among other things, declaratory relief establishing that Gao owns 100% of the  
2 membership interests in the Debtor and, therefore is entitled to the balance of the Funds, and an  
3 injunction preventing any further distribution of the Funds pending a determination of the Bank's  
4 claims.

5 On March 23, 2015, the Court entered a further order regarding the BK Dismissal Motion  
6 and BK Dismissal Stipulation (the "Second BK Dismissal Order") [Dkt. 69] that (1) authorized  
7 LNBYB on behalf of the Debtor to distribute Funds to pay a retainer to LNBYB and to pay other  
8 amounts to maintain the estate such as fees, provided that the Debtor had to maintain at least \$3.1  
9 million in Funds and (2) continued the hearing on the BK Dismissal Motion to May 22, 2015.

10 On April 17, 2015, the Debtor filed a motion in the Adversary Proceeding (1) to dismiss  
11 certain claims for relief due to lack of subject matter jurisdiction and/or failure to state a claim  
12 and (2) for a more definite statement regarding certain claims for relief (the "Adversary Dismissal  
13 Motion"). The Adversary Dismissal Motion was originally set for hearing on May 13, 2015, but  
14 the parties stipulated to continue the hearing to July 1, 2015 pending efforts to settle the  
15 Adversary Proceeding. The stipulation to continue the hearing on the Adversary Dismissal  
16 Motion was approved.

17 **B. THE SETTLEMENT STIPULATION**

18 Given the disputes regarding the BK Dismissal Motion and claims asserted in the Bank  
19 Adversary Proceeding (the Gao Adversary Proceeding has been dismissed), the parties engaged in  
20 arms' length negotiations to resolve such disputes and claims.

21 On or about May 7, 2015, the parties executed that certain Stipulation for Immediate Entry  
22 of Declaratory Judgment In Favor of Bank (the "Settlement Stipulation") resolving various  
23 disputes among the parties in regard to the BK Dismissal Motion and claims asserted in the Bank  
24 Adversary Proceeding. A true and correct copy of the Settlement Stipulation is attached hereto as  
25 **Exhibit "A."**<sup>1</sup> The primary terms of the Settlement Stipulation include the following:

26  
27 <sup>1</sup> PA One is the only party in the Bank Adversary Proceeding that is not a party to the Settlement Stipulation. PA  
28 One did not respond to the complaint against it in the Bank Adversary Proceeding, and the Bank obtained a default  
against PA One. Nevertheless, PA One was served with notice of the instant Motion. After the Settlement  
Stipulation as executed, the parties agreed to amend the Settlement Stipulation as follows: "The deadline of May

1                   •     In the Bank Adversary Proceeding, the Court will enter in favor of the  
2 Bank the Stipulated Judgment attached to the Settlement Stipulation as Exhibit “3.” The  
3 Stipulated Judgment provides for, among other things, judgment in favor of the Bank and  
4 against all defendants on the Bank’s first claim for relief for declaratory relief and  
5 payment of \$1.5 million of the Funds to the Bank, with such amount representing the  
6 amount to which Gao is entitled to based on her equity interest in the Debtor and to which  
7 the Bank is entitled pursuant to its judgment and charging order against Gao in the  
8 Bank/Gao Action;

9                   •     Upon entry of the Stipulated Judgment and the payment of \$1.5 million of  
10 the Funds to the Bank, the entry of an order dismissing the Bankruptcy Case; and

11                   •     With exceptions for Gao, Liberty CMC Corporation, 1595 17<sup>th</sup> Street LLC,  
12 and Progressive Star Management, LLC, and the obligations created under the Settlement  
13 Stipulation, effective upon the payment of \$1.5 million of the Funds to the Bank, the  
14 parties to the stipulation will be deemed to have provided mutual releases to one another;

15                   The Debtor believes that the approval of the Settlement Stipulation is in the overwhelming  
16 best interest of the estate. Specifically, as the Court is aware, all claims of the estate have already  
17 been satisfied in full from the Funds. The only remaining claims are those of the Debtor’s  
18 counsel and the US Trustee. The only other interests that remain are equity interests. Pursuant to  
19 the Settlement Stipulation, all administrative claims will be paid in full, the Bank will receive its  
20 \$1.5 million from Ms. Gao’s portion of the equity in the Debtor and the case will be dismissed,  
21 without the need to incur additional time and expense in connection with the administration of  
22 this estate.

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27 30, 2015, contained in paragraphs 5 and 6 of the [Settlement Stipulation] are changed to June 19, 2015, and the  
28 remaining hearings on calendar on May 22, 2015, shall be continued to a date thereafter.”

II.

## **DISCUSSION**

A. THE COURT SHOULD APPROVE THE SETTLEMENT STIPULATION PURSUANT TO RULE 9019(a)

1. **THE STANDARD FOR APPROVAL OF THE SETTLEMENT**  
**STIPULATION**

Rule 9019(a) provides that:

On motion by the [debtor in possession] and after notice and hearing, the court may approve a compromise or settlement. Notice shall be given to creditors, the United States trustee, the debtor and indenture trustees as provided in [Bankruptcy Rule] 2002 and to any other entity as the court may direct.

Fed. R. Bankr. P. 9019(a).

The Court of Appeals for the Ninth Circuit has long recognized that “[t]he bankruptcy court has great latitude in approving compromise agreements.” Woodson v. Fireman’s Fund Ins. Co. (In re Woodson), 839 F.2d 610, 620 (9th Cir. 1988). “The purpose of a compromise agreement is to allow the [debtor in possession] and the creditors to avoid the expenses and burdens associated with litigating sharply contested and dubious claims.” Martin v. Kane (In re A & C Properties), 784 F.2d 1377, 1380-81 (9th Cir. 1986), cert. denied 479 U.S. 854 (1986). Accordingly, in approving a compromise, the court need not conduct an exhaustive investigation of the claims sought to be compromised. See United States v. Alaska National Bank (In re Walsh Constr., Inc.), 669 F.2d 1325, 1328 (9th Cir. 1982). Rather, it is sufficient that the court find that the compromise was negotiated in good faith and is reasonable, fair, and equitable. See In re A & C Properties, 784 F.2d at 1381.

The Court of Appeals for the Ninth Circuit has identified the following factors for consideration in determining whether a proposed compromise agreement is reasonable, fair, and equitable:

(a) the probability of success in the litigation;

- (b) the difficulties, if any, to be encountered in the matter of collection;
- (c) the complexity of the litigation involved, and the expense, inconvenience, and delay necessarily attending it; and
- (d) the paramount interest of the creditors and a proper deference to their reasonable views in the premises.

In re A & C Properties, 784 F.2d at 1381.

6 Consideration of these factors does not require the court to determine whether a  
7 compromise presented is the best one that could possibly have been achieved. Rather, the court  
8 need only canvass the issues to determine whether the compromise falls “below the lowest point  
9 in the zone of reasonableness.” Newman v. Stein, 464 F.2d 689, 698 (2d Cir. 1972) (emphasis  
10 added), cert. denied sub nom. Benson v. Newman, 409 U.S. 1039 (1972); see also Anaconda-  
11 Ericsson Inc. v. Hessen (In re Teltronics Services, Inc.), 762 F.2d 185, 189 (2d Cir. 1985); Cosoff  
12 v. Rodman (In re W.T. Grant Co.), 699 F.2d 599, 608 (2d Cir. 1983), cert. denied 464 U.S. 822  
13 (1983). Finally, although the court should give deference to the reasonable views of creditors,  
14 “objections do not rule. It is well established that compromises are favored in bankruptcy.” In re  
15 Lee Way Holding Co., 120 B.R. 881, 891 (Bankr. S.D. Ohio 1990).

2. **THE STANDARD FOR APPROVAL OF THE SETTLEMENT HAS BEEN  
SATISFIED**

**a. THE PROBABILITY OF SUCCESS IN THE LITIGATION**

19        Although the Debtor is named as a defendant in the litigation, in reality, this is an equity  
20 dispute. All creditor claims (other than certain administrative claims) have been satisfied in full  
21 and the balance of the property belongs to equity. Equity has reached an agreement with the  
22 Bank for distribution of estate funds and dismissal of this case. The Debtor believes that the  
23 issues of success in the litigation do not apply to the Debtor; however, costs associated with  
24 litigation and keeping the case open do impact the Debtor negatively. A settlement resolves all  
25 such issues.

**b. THE DIFFICULTIES, IF ANY, TO BE ENCOUNTERED IN THE  
MATTER OF COLLECTION**

The Debtor submits that this is not an issue since Debtor's counsel is holding funds that would be paid out to third parties.

c. THE COMPLEXITY OF THE LITIGATION INVOLVED, AND THE EXPENSE, INCONVENIENCE, AND DELAY NECESSARILY ATTENDING IT

The discussion in subsection (a) above is incorporated herein by this reference.

d. **THE PARAMOUNT INTEREST OF THE CREDITORS AND A PROPER DEFERENCE TO THEIR REASONABLE VIEWS IN THE PREMISES**

10 As discussed, all creditor claims of the estate (other than certain administrative claims)  
11 have been paid and there are no additional claims. The only creditors are the administrative  
12 creditors who will be paid in connection with the approval of this Motion. The interests of such  
13 creditors support the granting of the Motion.

14 In consideration of the foregoing, the Debtor submits that the settlement and compromise  
15 set forth in the Settlement Stipulation should be approved by the Court pursuant to Rule 9019(a).

III.

## **CONCLUSION**

**WHEREFORE**, the Debtor respectfully requests that the Court enter an order:

1. granting the Motion in its entirety;
2. approving the Stipulation;
3. entering the Judgment on the Stipulation, which is attached to the Stipulation as Exhibit “3”;

4. authorizing and instructing the Debtor, through its bankruptcy counsel, to pay \$1.5 million to the Bank from funds maintained by Debtor’s counsel;

5. dismissing the bankruptcy case upon payment of outstanding administrative claims, including professional fees of Debtor’s counsel and US Trustee quarterly fees; and

111

1 6. affording such further and other relief as is warranted under the circumstances.

2 Dated: May 13, 2015

3 LEVENE, NEALE, BENDER, YOO  
& BRILL L.L.P.

4 By: /s/ David B. Golubchik

5 DAVID B. GOLUBCHIK

6 TODD M. ARNOLD

7 Attorneys for Debtor and Debtor in Possession,  
Atherton Financial Building LLC

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## **DECLARATION OF BENJAMIN KIRK**

I, Benjamin Kirk, hereby declare as follows:

1. I am over 18 years of age. Except where otherwise stated, I have personal knowledge of the facts set forth below and, if called to testify, would and could competently testify thereto.

2. I am the managing member or otherwise authorized to act on behalf of Sunshine Valley, LLC, Great Vista Real Estate Investment Corporation, American REO Solutions, LLC, and Washington Capital Management Services, LLC, all of which have an ownership interest in Atherton Financial Building, LLC, the debtor and debtor in possession herein (the “Debtor”). I also manage the operations of the Debtor.

3. I make this Declaration in support of the Motion to which this declaration is attached. Unless otherwise stated, all capitalized terms herein have the same meanings as in the Motion.

4. On or about May 7, 2015, the parties executed that certain Stipulation for Immediate Entry of Declaratory Judgment In Favor of Bank (the “Settlement Stipulation”) resolving various disputes among the parties in regard to the BK Dismissal Motion and claims asserted in the Bank Adversary Proceeding. A true and correct copy of the Settlement Stipulation is attached hereto as **Exhibit “A.”**<sup>2</sup> The primary terms of the Settlement Stipulation include the following:

- In the Bank Adversary Proceeding, the Court will enter in favor of the Bank the Stipulated Judgment attached to the Settlement Stipulation as Exhibit “3.” The Stipulated Judgment provides for, among other things, judgment in favor of the Bank and against all defendants on the Bank’s first claim for relief for declaratory relief and

<sup>2</sup> PA One is the only party in the Bank Adversary Proceeding that is not a party to the Settlement Stipulation. PA One did not respond to the complaint against it in the Bank Adversary Proceeding, and the Bank obtained a default against PA One. Nevertheless, PA One was served with notice of the instant Motion. After the Settlement Stipulation as executed, the parties agreed to amend the Settlement Stipulation as follows: “The deadline of May 30, 2015, contained in paragraphs 5 and 6 of the [Settlement Stipulation] are changed to June 19, 2015, and the remaining hearings on calendar on May 22, 2015, shall be continued to a date thereafter.”

1 payment of \$1.5 million of the Funds to the Bank, with such amount representing the  
2 amount to which Gao is entitled to based on her equity interest in the Debtor and to which  
3 the Bank is entitled pursuant to its judgment and charging order against Gao in the Bank  
4 Action;

5 • Upon entry of the Stipulated Judgment and the payment of \$1.5 million of  
6 the Funds to the Bank, the entry of an order dismissing the Bankruptcy Case; and

7 • With exceptions for Gao, Liberty CMC Corporation, 1595 17<sup>th</sup> Street LLC,  
8 and Progressive Star Management, LLC, and the obligations created under the Settlement  
9 Stipulation, effective upon the payment of \$1.5 million of the Funds to the Bank, the  
10 parties to the stipulation will be deemed to have provided mutual releases to one another;

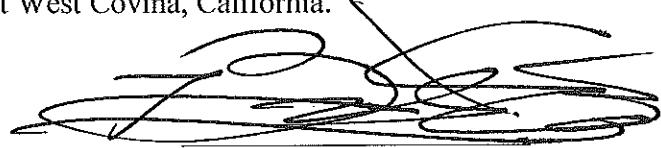
11 5. I believe that the approval of the Settlement Stipulation is in the overwhelming best  
12 interest of the estate. Specifically, as the Court is aware, all claims of the estate have already been  
13 satisfied in full from the Funds. The only remaining claims are those of the Debtor's counsel and  
14 the US Trustee. The only other interests that remain are equity interests.

15 6. Pursuant to the compromise herein and approval of the Motion, all administrative  
16 claims will be paid in full, the Bank will receive its \$1.5 million from Ms. Gao's portion of the  
17 equity in the Debtor and the case will be dismissed, without the need to incur additional time and  
18 expense in connection with the administration of this estate.

19 7. Based on the foregoing, I respectfully request that the Court approve the Motion in  
20 its entirety.

21 I declare under penalty of perjury under the laws of the United States that the foregoing is  
22 true and correct to the best of my knowledge.

23 Executed this 13<sup>th</sup> day of May 2015, at West Covina, California.



24  
25 Benjamin Kirk  
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## **EXHIBIT “A”**

1 Michael Gerard Fletcher (State Bar No. 70849)  
mletcher@frandzel.com  
2 Bob Beny (State Bar No. 211569)  
bbeny@frandzel.com  
3 FRANDZEL ROBINS BLOOM & CSATO, L.C.  
6500 Wilshire Boulevard, Seventeenth Floor  
4 Los Angeles, California 90048-4920  
Telephone: (323) 852-1000  
5 Facsimile: (323) 651-2577  
6 Attorneys for Plaintiff BANK SINOPAC LOS  
ANGELES BRANCH  
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UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

11 In re Case No. 2:14-bk-27223-TD  
12 ATHERTON FINANCIAL BUILDING LLC, Chapter 11  
a California limited liability company,  
13  
14 Debtor.

15 BANK SINOPAC LOS ANGELES  
16 BRANCH,

17 Plaintiff,

18 v.  
19 ATHERTON FINANCIAL BUILDING LLC,  
20 a California limited liability company; LUCY  
GAO, an individual; BENJAMIN KIRK, an  
individual; SUNSHINE VALLEY, LLC, a  
California limited liability company; GREAT  
21 VISTA REAL ESTATE INVESTMENT  
CORPORATION, a California corporation;  
22 AMERICAN REO SOLUTIONS LLC, a  
Delaware limited liability company;  
23 WASHINGTON CAPITAL MANAGEMENT  
SERVICES LLC, a Delaware limited liability  
company; and PA ONE, LLC, a California  
limited liability company,

24 Defendants.  
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Adv. No. 2:15-ap-01145-TD  
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STIPULATION FOR IMMEDIATE  
ENTRY OF DECLARATORY  
JUDGMENT IN FAVOR OF PLAINTIFF  
BANK SINOPAC LOS ANGELES  
BRANCH

1 TO: THE HONORABLE THOMAS DONOVAN, JUDGE OF THE UNITED  
2 STATES BANKRUPTCY COURT.  
3

4 Plaintiff, Bank SinoPac Los Angeles Branch ("Plaintiff"), on the one hand, and defendants,  
5 Atherton Financial Building LLC, a California limited liability company ("Atherton"), Lucy Gao  
6 ("Gao"), Benjamin Kirk ("Kirk"), Sunshine Valley, LLC, a California limited liability company  
7 ("Sunshine"), Great Vista Real Estate Investment Corporation, a California corporation ("Great  
8 Vista"), American REO Solutions LLC, a Delaware limited liability company ("American REO"),  
9 Washington Capital Management Services LLC, a Delaware limited liability company  
10 ("Washington CMS", collectively with Atherton, Gao, Kirk, Sunshine, Great Vista, American  
11 REO and Washington CMS, "Defendants"), on the other hand, stipulate and agree as follows:  
12  
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14 RECITALS

15 WHEREAS Atherton's counsel, Levene, Neale, Bender, Yoo & Brill L.L.P. ("Levene"), is  
16 presently entrusted with the sum of approximately \$3.1 million on behalf of Atherton in  
17 connection with the sale of Atherton's property (the "Sale Proceeds"), pursuant to, among other  
18 things, an "Order Re: Motion for Order (1) Authorizing Disbursement of Funds to Creditors; and  
19 (2) Dismissal of Bankruptcy Case" (entered on March 23, 2015, in *In re Atherton Financial  
20 Building, LLC*, USBC C.D. Cal., Case No. 2:14-bk-27223-TD) (a true and correct copy of which  
21 is attached hereto as Exhibit "1" and is incorporated herein by this reference);

22 WHEREAS Atherton has paid all of its creditors and administrative claimants;

23 WHEREAS the Defendants, and/or some of them, have made conflicting claims to own or  
24 to be able to control the membership interests in Atherton, and/or the equity therein, and/or the  
25 Sale Proceeds, which conflicting claim are disputed by Plaintiff;

26 WHEREAS Plaintiff is a judgment creditor of Gao in a state court action captioned as  
27 *Bank SinoPac v. Gao* (Los Angeles County Superior Court Case No. VC064502) (the "State  
28 Action"), and Plaintiff was awarded a money judgment against Gao on April 3, 2015, in the State  
1809902.3 | 100158-0032

1 Action, in the total sum of \$2,897,396.28 (the "State Judgment"), a true and correct copy of which  
2 is attached hereto as Exhibit "2" and is incorporated herein by this reference;

3 WHEREAS, on or about April 15, 2015, Plaintiff filed and served its application in the  
4 state court handling the State Action for a charging order over Gao and her interests in Atherton  
5 which created a lien over Gao's membership interests in Atherton, if any, for payment of some or  
6 all of the State Judgment under and pursuant to California law (*See California Code of Civil*  
7 *Procedure § 708.320(a)*) ("Charging Order");

8 WHEREAS, the parties hereto have recognized and represent to each other that outcomes  
9 in litigation are almost always subject to some uncertainty, and that litigating this matter to  
10 completion would entail not only the uncertainties of the outcome of litigation, but the incursion  
11 of fees, costs, and expenses, and the delays attendant on litigating a matter to a final judgment. For  
12 those reasons Plaintiff and the Defendants have concluded that a negotiated resolution of their  
13 disputes and differences would be a reasonable and desirable outcome to this litigation, and now  
14 desire to effectuate a settlement of all of the claims in this adversary proceeding, on the terms,  
15 covenants, and conditions set forth herein.

16

17 **STIPULATION**

18 **IT IS STIPULATED AND AGREED** that:

19 1. Stipulated Declaratory Judgment. A Declaratory Judgment, in the form attached  
20 hereto as Exhibit "3" should be entered in this action in favor of Plaintiff, against all Defendants,  
21 on the First Claim for Relief, declaring that:

22 (a) Gao has an equity interest in Atherton under which Gao is entitled to an  
23 immediate equity distribution from Atherton in the sum of One Million Five Hundred Thousand  
24 Dollars (\$1,500,000.00) from the Sale Proceeds ("Gao Distribution"), which Gao Distribution is  
25 subject to the State Judgment and Plaintiff's rights under the Charging Order; and,

26 (c) Pursuant to the Charging Order, Plaintiff is entitled to receive Gao's \$1,500,000  
27 portion of the equity distribution from Atherton.

28 2. Dismissal of Bankruptcy. Immediately upon the entry of the Declaratory Judgment

1 and payment to the Bank of the Gao Distribution, this bankruptcy case will, and shall be,  
2 dismissed.

3       3.    Judgment Waivers. Defendants knowingly and voluntarily execute this Stipulation  
4 for Immediate Entry of Declaratory Judgment in Favor of Plaintiff Bank SinoPac Los Angeles  
5 Branch ("Stipulation") and waive any and all findings of fact and conclusions of law with the  
6 respect to the entry of the Declaratory Judgment and further waive the right to appeal, file a  
7 motion for a new trial, or in any way attempt to set aside this Stipulation and/or the Declaratory  
8 Judgment.

9       4.    Conditions Precedent. Each of the following and the timely satisfaction of each  
10 are and shall be express conditions precedent to the effectiveness of this Stipulation.

11           (a)   Execution and delivery of this Stipulation by each of the signatories for  
12 whom a signature block is provided below.

13       5.    Motion to Approve. The stipulated Declaratory Judgment shall be entered  
14 forthwith. In that regard, Atherton and Gao shall immediately file all necessary moving papers  
15 with the Bankruptcy Court to obtain a timely order approving the compromise memorialized in  
16 this Stipulation pursuant to Federal Rule of Bankruptcy Procedure 9019. The motion shall be set  
17 for hearing on or before May 30, 2015, and if possible at the same time as the status conference in  
18 this adversary proceeding on May 22, 2015. Further, Atherton shall continue for hearing until on  
19 or after August 1, 2015, the motion to dismiss the Bank Adversary Complaint that Atherton has  
20 filed, to give time for all of the deadlines set forth herein to be met. Bank may otherwise  
21 immediately file the fully executed Declaratory Judgment Stipulation to obtain entry of judgment  
22 in connection therewith.

23       6.    Turn Over. As soon as possible after execution of this Stipulation, and the entry of  
24 an order approving this Stipulation, but in no case later than May 30, 2015 ("Turn Over Date"),  
25 Atherton and Gao shall cause, and all of the Defendants hereby instruct, Levene to deliver to  
26 Plaintiff, in immediately available funds by wire transfer as instructed by Plaintiff, the entirety of  
27 the Gao Distribution. Plaintiff, in the exercise of its sole opinion and judgment, may extend such  
28 Turn Over Date from time to time.

1           7. Mutual Limited Releases.

2           (a) Effective upon Plaintiff's receipt of the Gao Distribution, and except as to  
3 the obligations imposed upon any party to this Stipulation, none of which are intended to be  
4 released, Plaintiff, on the one hand, and Defendants, on the other hand (but excluding from this  
5 release for all purposes Gao; Liberty CMC Corporation, a California corporation ("Liberty"); 1595  
6 17<sup>th</sup> Street LLC, a California limited liability company ("17<sup>th</sup> Street"); and Progressive Star  
7 Management LLC, a California limited liability company ("Progressive")), on behalf of  
8 themselves, their respective successors and assigns, and each of them (for purposes of this release  
9 hereinafter referred to individually and collectively as the "Releasing Parties"), do each hereby  
10 forever relieve, release, acquit and discharge each other, including its officers, directors, attorneys,  
11 accountants, employees, predecessors, successors, and assigns, and each of them (collectively, the  
12 "Released Parties"), from any and all claims, debts, liabilities, demands, obligations, promises,  
13 acts, agreements, costs and expenses (including, but not limited to, attorneys' fees), damages,  
14 injuries, actions and causes of action, of whatever kind or nature, whether legal or equitable,  
15 known or unknown, suspected or unsuspected, contingent or fixed, which the Releasing Parties, or  
16 any of them, now own or hold or have at any time heretofore owned or held or may at any time  
17 hereafter own or hold against the Released Parties, or any of them, by reason of any acts, facts,  
18 transactions or any circumstances whatsoever occurring or existing through the date of this  
19 Stipulation concerning this adversary proceeding and/or the subject matter hereof.

20           (b) As to the matters released herein, the Releasing Parties, and each of them,  
21 expressly waive any and all rights under Section 1542 of the Civil Code of the State of California,  
22 which provides as follows:

23           A general release does not extend to claims which the creditor does not  
24 know or suspect to exist in his or her favor at the time of executing the  
release, which if known by him or her must have materially affected his or  
her settlement with the debtor.

25           (c) The Releasing Parties each expressly waive and release any right or benefit which  
26 they have or may have under Section 1542 of the Civil Code of the State of California, and any  
27 similar law of any state, territory, commonwealth or possession of the United States, or the United  
28

1 States, to the full extent that they may waive all such rights and benefits pertaining to the matters  
2 released herein. In connection with such waiver and relinquishment, each of the Releasing Parties  
3 acknowledge that they are aware that they may hereafter discover claims presently unknown or  
4 unsuspected, or facts in addition to or different from those which they now know or believe to be  
5 true. Nevertheless, it is the intention of the Releasing Parties, through this Stipulation, to fully,  
6 finally and forever release all such matters, and all claims relative thereto, which do now exist,  
7 may exist, or heretofore have existed. In furtherance of such intention, the release herein given  
8 shall be and remain in effect as a full and complete release of such matters notwithstanding the  
9 discovery or existence of any such additional or different claims or facts relative thereto.

10       8.     Events of Default. Each of the following shall be deemed to constitute an "Event  
11 of Default" hereunder:

12           (a)     The failure to timely deliver the entire Gao Distribution to Plaintiff;  
13           (b)     Any parties breach of any covenant or obligation set forth in this  
14 Stipulation.

15       9.     Remedies Upon Occurrence of an Event of Default.

16           (a)     If any of the default events specified in this Stipulation occur, the non-  
17 defaulting Party or Parties may, in their sole and absolute discretion, declare the defaulting Party  
18 or Parties to be in default of their obligations hereunder with no further opportunity to cure.  
19           (b)     The releases set forth in this Stipulation shall survive any Event of Default  
20 that may occur under this Stipulation.

21       10.    Miscellaneous Provisions.

22           (a)     The parties hereto (with the exception of Gao) shall be responsible to bear  
23 their own attorneys' fees and costs in connection with this Adversary Action.

24           (b)     This Stipulation and all documents and instruments executed in connection  
25 herewith shall be binding upon and inure to the benefit of the Parties and their respective  
26 successors and assignors, assigns, partners, attorneys, accountants, heirs, executors,  
27 administrators, trustees, and trustees in bankruptcy.

28           (c)     In the event of litigation concerning the terms and conditions of this

1 Stipulation and/or any and all documents executed in connection herewith, the prevailing party in  
2 such litigation shall be entitled to its or his reasonable attorneys' fees and costs incurred in such  
3 litigation.

4 (d) This Stipulation was not drafted by any one party and shall not be construed  
5 or interpreted against any one party hereto.

6 (e) This Stipulation is the entire agreement between the respective parties  
7 hereto with respect to the subject matter hereof, and no amendment, change, modification,  
8 alteration or waiver of this Stipulation or any provision hereof shall be valid except when it is  
9 made in writing and duly signed by all of the Parties.

10 (f) This Stipulation , and any other document required by Plaintiff hereunder,  
11 constitutes a single, integrated written contract expressing the entire agreement of the parties  
12 hereto relative to the subject matter hereof. No covenants, agreements, representations, or  
13 warranties of any kind whatsoever have been made by any party hereto with respect to the subject  
14 matter hereof, except as specifically set forth in this Stipulation, or in the agreements referenced  
15 herein. This Stipulation is intended to be final and binding against Defendants, and Defendants  
16 acknowledge that Plaintiff is expressly relying on the finality of this Stipulation as a substantial,  
17 material factor inducing Plaintiff's execution of this Stipulation. Defendants have the full right  
18 and authority to enter into this Stipulation, and the officer(s), agent(s) or other representative(s)  
19 executing this Stipulation on behalf of Defendants, have the full right and authority to fully  
20 commit and bind Defendants, as applicable, to this Stipulation. The parties to this Stipulation  
21 acknowledge to each other that each such party is a sophisticated party and business entity with  
22 sophisticated and experienced personnel and legal counsel. Each party is aware of the ruling of the  
23 California Supreme Court in the case of *Riverisland Cold Storage, Inc., et al. v. Fresno-Madera*  
24 *Production Credit Association* (2013) 55 Cal. 4<sup>th</sup> 1169, and waives such ruling to the greatest  
25 extent permissible to do so in the implementation of and in the enforcement of this Stipulation.

26 (g) No covenants, agreements, representations, or warranties of any kind  
27 whatsoever have been made by any Party, except as specifically set forth in this Stipulation, or any  
28 and all documents and instruments executed in connection herewith.

12 (j) This Stipulation is an arms-length transaction and has been duly negotiated  
13 by and between the Parties and their counsel and is not entered into as a result of duress, undue  
14 influence, coercion, unclean hands, or any other legal theory which could be alleged at law or in  
15 equity. The Parties, and each of them, have had the opportunity to consult with attorneys of their  
16 own choosing and have entered into this Stipulation freely and voluntarily after consulting with  
17 their attorneys.

18 (k) This Stipulation may be executed by facsimile in one or more counterparts,  
19 but all of the counterparts shall together constitute one agreement. A facsimile signature shall be  
20 deemed to be an original signature on this Stipulation as if it was an ink signed document.

28 (m) The waiver of any existing or future default by any Party or of any of the

1 terms of this Stipulation shall not be deemed a waiver of any future default or term.

2 (n) Except as otherwise set forth herein, all agreements, representations, and  
3 warranties made herein shall survive the execution and delivery of this Stipulation.

4 (o) Time is of the essence in the performance of obligations under the terms of  
5 this Stipulation and all deadlines specified herein shall be strictly construed.

6 (p) Except as expressly provided herein, nothing contained in this Stipulation is  
7 intended, nor shall it be construed or deemed to confer any rights, powers or privileges on any  
8 person, firm, partnership, corporation or other entity not an express party hereto or a successor in  
9 interest, or a person or entity being released pursuant to Sections 5, above.

10 (q) The Parties expressly acknowledge and agree that time is of the essence and  
11 that all deadlines and time periods provided for under this Stipulation are ABSOLUTE AND  
12 FINAL.

13

14 WHEREFORE, the parties hereto have executed this Stipulation as of April 27, 2015, and  
15 respectfully request that the Court so order.

16

17 DATED: April \_\_\_, 2015

BANK SINOPAC LOS ANGELES BRANCH

18

19

20 By: \_\_\_\_\_  
21

Name: THOMAS KAO  
Its: SENIOR VICE PRESIDENT/GENERAL  
MANAGER

22

23

24

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1 DATED: May 7, 2015

2 ATHERTON FINANCIAL BUILDING LLC,  
3 a California limited liability company

4 By:  
5 Name:  
6 Its:  
7

8 DATED: May 7, 2015

9 LUCY GAO, individually

10 DATED: May 7, 2015

11 BENJAMIN KIRK, individually

12 DATED: May 7, 2015

13 SUNSHINE VALLEY, LLC,  
14 a California limited liability company

15 By:  
16 BENJAMIN KIRK  
17 Its: Managing Member

18 DATED: May 7, 2015

19 GREAT VISTA REAL ESTATE INVESTMENT  
20 CORPORATION, a California corporation

21 By:  
22 Name:  
23 Its:  
24

25 DATED: May 7, 2015

26 AMERICAN REO SOLUTIONS LLC,  
27 a Delaware limited liability company

28 By:  
Name:  
Its:

29 DATED: May 7, 2015

30 WASHINGTON CAPITAL MANAGEMENT  
31 SERVICES LLC, a Delaware limited liability company



1  
2 By:  
3 Name:  
4 Its:  
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FRANDZE  
L ROBINS  
BLOOM &  
CSATO, L.  
C.  
6500 MARSHIRE  
BOULEVARD,  
17TH FLOOR  
LOS ANGELES,  
CALIFORNIA  
90048-4920  
(323) 852-1000

# **EXHIBIT 1**



1 A continued hearing was held on March 18, 2015 at 2:00 p.m. to consider the Motion  
2 For Order (1) Authorizing Disbursement Of Funds To Creditors; And (2) Dismissal Of  
3 Bankruptcy Case (“Motion”) filed by Atherton Financial Building, LLC (the “Debtor”).  
4 Appearances were as set forth on the Court’s record.

5 This Court, having considered the Motion and all evidence and other documents filed in  
6 support of the Motion, the "Stipulation Directing Disposition Of Sale Proceeds And Dismissal  
7 Of Case" ("Stipulation"), the opposition to the Stipulation filed by SinoPac, the new adversary  
8 proceeding commenced by SinoPac against the Debtor and other persons and entities, the  
9 statements and representations of counsel made at the hearing, the entire record in the Debtor's  
10 bankruptcy case, and good cause appearing,

11 IT IS HEREBY ORDERED AS FOLLOWS:

12       1.       The Debtor is authorized to release \$50,000 to Levene, Neale, Bender, Yoo &  
13 Brill L.L.P. ("LNBYB") to fund a retainer for the Chapter 11 bankruptcy case for the Debtor's  
14 affiliate, 544 San Antonio Road, LLC;

15       2.      The Debtor is authorized to use estate funds for maintaining the estate, including  
16 payment of U.S. Trustee quarterly fees, provided that a balance of not less than \$3,100,000  
17 remain in the estate from the sale proceeds, and be held by LNBYB, pending further order of  
18 this Court; and

19       3.     The hearing to consider dismissal of the Debtor's bankruptcy case is hereby  
20     continued to May 22, 2015 at 2:00 p.m.

三三三

23 Date: March 23, 2015

Thomas R. Donovan  
Thomas B. Donovan  
United States Bankruptcy Judge

## **EXHIBIT 2**

1 Michael Gerard Fletcher (State Bar No. 070849)  
2 mfletcher@frandzel.com  
3 Marshall J. August (State Bar No. 105361)  
4 maugust@frandzel.com  
5 FRANDZEL ROBINS BLOOM & CSATO, L.C.  
6 6500 Wilshire Boulevard  
7 Seventeenth Floor  
8 Los Angeles, California 90048-4920  
9 Telephone: (323) 852-1000  
10 Facsimile: (323) 651-2577  
11 Attorneys for Plaintiff, BANK SINOPAC

CONFORMED  
ORIGINAL FILED  
Superior Court of California  
County of Los Angeles

APR 03 2015

Sherri R. Carter, Executive Officer/Clerk  
By Frances Palumbo, Deputy

8 SUPERIOR COURT OF CALIFORNIA  
9 COUNTY OF LOS ANGELES, SOUTHEAST DISTRICT

11 BANK SINOPAC,

CASE No. VC 064502

12 Plaintiff,

JUDGMENT BY COURT AFTER  
13 DEFAULT

v.

14 LUCY GAO; and DOES 1 through 25,  
15 Inclusive,

16 Defendants.

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1 *By declaration*

Judge Margaret M. Bernal

1 This cause came to be heard before the Honorable \_\_\_\_\_, in  
2 Department SEP of the above-entitled court on 4-3-15 by  
3 submission of the attorneys of record for plaintiff BANK SINOPAC ("Plaintiff" or "Bank")  
4 Frandzel Robins Bloom & Csato, L.C. and it appearing that defendant LUCY GAO, having been  
5 regularly served with process, having failed to appear and answer the plaintiff's complaint filed  
6 herein on December 24, 2014, and the default of said defendant having been entered and evidence  
7 having been submitted <sup>to</sup> and having ~~introduced in open session of this court or having~~ been considered by the court:

8 IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that plaintiff, BANK  
9 SINOPAC, shall recover from defendant LUCY GAO, the principal amount of \$2,799,656.25,  
10 plus accrued interest in the sum of \$62,603.42 through March 3, 2015, plus additional interest at  
11 the rate of \$680.47 per day from March 4, 2015 through March 9, 2015 in the sum of \$4,082.82,  
12 for a total interest amount in the sum of \$66,686.24, plus attorneys' fees of \$30,512.60, and costs  
13 of suit in the sum of \$541.19, for a total judgment sum of \$2,897,396.28, together with interest on  
14 said judgment as provided by law.

15 The Clerk is ordered to enter the Judgment.

Judge Margaret M. Bernal

16  
17 DATED: APR 03 2015 \_\_\_\_\_  
18 JUDGE OF THE SUPERIOR COURT  
19  
20  
21  
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# EXHIBIT 3

1 Michael Gerard Fletcher (State Bar No. 70849)  
2 mfletcher@frandzel.com  
3 Bob Beny (State Bar No. 211569)  
4 bbeny@frandzel.com  
5 FRANDZEL ROBINS BLOOM & CSATO, L.C.  
6 6500 Wilshire Boulevard, Seventeenth Floor  
7 Los Angeles, California 90048-4920  
8 Telephone: (323) 852-1000  
9 Facsimile: (323) 651-2577  
10  
11 Attorneys for Plaintiff BANK SINOPAC LOS  
12 ANGELES BRANCH  
13  
14

8 UNITED STATES BANKRUPTCY COURT  
9  
10 CENTRAL DISTRICT OF CALIFORNIA  
11 LOS ANGELES DIVISION

12 In re Case No. 2:14-bk-27223-TD  
13 ATHERTON FINANCIAL BUILDING LLC, Chapter 11  
14 a California limited liability company,  
15 Debtor.  
16

17 BANK SINOPAC LOS ANGELES Adv. No. 2:15-ap-01145-TD  
18 BRANCH,  
19 Plaintiff,  
20 v.  
21 ATHERTON FINANCIAL BUILDING LLC,  
22 a California limited liability company; LUCY  
23 GAO, an individual; BENJAMIN KIRK, an  
24 individual; SUNSHINE VALLEY, LLC, a  
25 California limited liability company; GREAT  
26 VISTA REAL ESTATE INVESTMENT  
CORPORATION, a California corporation;  
AMERICAN REO SOLUTIONS LLC, a  
Delaware limited liability company;  
WASHINGTON CAPITAL MANAGEMENT  
SERVICES LLC, a Delaware limited liability  
company; and PA ONE, LLC, a California  
limited liability company,  
Defendants.  
27  
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[PROPOSED] JUDGMENT ON  
STIPULATION FOR IMMEDIATE  
ENTRY OF DECLARATORY  
JUDGMENT IN FAVOR OF PLAINTIFF  
BANK SINOPAC LOS ANGELES  
BRANCH

1 Pursuant to the Stipulation for Immediate Entry of Declaratory Judgment in Favor of  
2 Plaintiff Bank SinoPac, Los Angeles Branch ("Stipulation"), on file herein, the Court finds good  
3 cause exists to approve the Stipulation and enters this judgment in the above-entitled adversary  
4 proceeding:

5 IT IS ORDERED, ADJUDGED, DECREED, and DECLARED that:

6 (a) This judgment should be entered in this action in favor of Plaintiff, and  
7 against all Defendants, on the First Claim for Relief in this adversary proceeding, declaring that:

8 (b) Lucy Gao ("Gao") has an equity interest in debtor Atherton Financial  
9 Building, LLC ("Atherton"), under which Gao is entitled to an immediate equity distribution from  
10 Atherton in the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) from the  
11 Sale Proceeds<sup>1</sup> ("Gao Distribution"), which Gao Distribution is subject to the State Judgment and  
12 Plaintiff's rights under the Charging Order; and,

13 (c) Pursuant to the Charging Order, Plaintiff Bank SinoPac, Los Angeles  
14 Branch ("Bank") is entitled to receive Gao's \$1,500,000.00 portion of the equity distribution from  
15 Atherton.

16 (d) Counsel for Atherton, Levene, Neale, Bender, Yoo & Brill L.L.P., shall  
17 wire transfer the Gao Distribution to Plaintiff Bank.

18  
19 DATED: \_\_\_\_\_, 2015

20  
21 UNITED STATES BANKRUPTCY JUDGE

22  
23  
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26  
27 <sup>1</sup> All defined terms have the meaning set forth in the Stipulation.  
28

## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067

A true and correct copy of the foregoing document entitled: **DEBTOR'S NOTICE OF MOTION AND MOTION TO APPROVE SETTLEMENT AND COMPROMISE; MEMORANDUM OF POINTS AND AUTHORITIES AND DECLARATION OF BENJAMIN KIRK IN SUPPORT THEREOF** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **May 13, 2015**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Todd M Arnold tma@lnbyb.com
- Douglas G Boven dboven@reedsmith.com, gsandoval@reedsmith.com
- Christopher D Crowell ccrowell@frandzel.com, efilings@frandzel.com, dmoore@frandzel.com
- Michael G Fletcher mfletcher@frandzel.com, efilings@frandzel.com; sking@frandzel.com
- David B Golubchik dbg@lnbyb.com, dbg@ecf.inforuptcy.com
- Jeffrey S Kwong jsk@lnbyb.com, jsk@ecf.inforuptcy.com
- Charles Alex Naegele alex@canlawcorp.com, alexnaegelelaw@gmail.com
- Queenie K Ng queenie.k.ng@usdoj.gov, dare.law@usdoj.gov
- Laura Palazzolo laura.palazzolo@berliner.com
- Jeffrey S Shinbrot jeffrey@shinbrotfirm.com, sandra@shinbrotfirm.com
- United States Trustee (LA) ustpreion16.la.ecf@usdoj.gov
- Reed S Waddell rwaddell@frandzel.com, efilings@frandzel.com; sking@frandzel.com

**2. SERVED BY UNITED STATES MAIL:** On **May 13, 2015**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **May 13, 2015**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

**Served By Attorney Service**

Hon. Thomas B. Donovan  
United States Bankruptcy Court  
255 E. Temple Street, Suite 1352 / Courtroom 1345  
Los Angeles, CA 90012

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

|              |                    |                               |
|--------------|--------------------|-------------------------------|
| May 13, 2015 | Stephanie Reichert | /s/ <i>Stephanie Reichert</i> |
| Date         | Type Name          | Signature                     |

Case 2:14-bk-27223-TD

Central District Of California

Los Angeles

Wed Dec 24 11:11:28 PST 2014

ThyssenKrupp Elevator

in care of CST CO INC

PO Box 224768

Dallas, TX 75222-4768

Los Angeles Division

255 East Temple Street,  
Los Angeles, CA 90012-3332

AT&amp;T

PO Box 5025

Carol Street, IL 60197-5025

American REO Solutions LLC

2804 Gateway Oaks Drive #200

Sacramento, CA 95833-4346

Bank SinoPac

355 South Grand Avenue

Ste 4168

Los Angeles, CA 90071-3100

COMCAST

PO Box 34227

Seattle, WA 98124-1227

California Water Service Company

PO Box 940001

San Jose, CA 95194-0001

David &amp; Cathy Tsang

758 Loyola Drive  
Los Altos, CA 94024-5918

Discount Plumbing &amp; Rooter Company

1330 Valota Road

Redwood City, CA 94061-2156

Employment Development Dept.

1525 S. Broadway

Room 223

Los Angeles, CA 90015-3030

Franchise Tax Board

Special Procedures

POB 2952

Sacramento, CA 95812-2952

Fry's Electronics

1077 East Argues Avenue

Sunnyvale, CA 94085-3902

Golden State Granite &amp; Marble Inc.

114 S. Amphlett Bl.

San Mateo, CA 94401-2941

Great Vista Real Estate Invest Corp

250 Selby Lane

Atherton, CA 94027-3931

Hue &amp; Cry Inc

PO Box 548

Anderson CA 96007-0548

Immix Leasing

1833 Walter Drive

Los Banos, CA 93635-5231

(p)INTERNAL REVENUE SERVICE

CENTRALIZED INSOLVENCY OPERATIONS

PO BOX 7346

PHILADELPHIA PA 19101-7346

Noosphere Ventures

1906 El Camino Real

Atherton, CA 94027-4129

North America Capital LLC

126 Atherton Avenue

Atherton, CA 94027-4021

Office of the U.S. Trustee

915 Wilshire Blvd., Suite 1850

Los Angeles, CA 90017-3560

PG&amp;E

Box 997300

Sacramento, CA 95899-7300

(p)PACIFIC GAS &amp; ELECTRIC COMPANY

PO BOX 8329

STOCKTON CA 95208-0329

Recology San Mateo County

PO Box 514230

Los Angeles, CA 90051-4230

San Mateo County Treasurer

and Tax Collector

555 County Center #1

Redwood City, CA 94063-1665

(p)CALIFORNIA STATE BOARD OF EQUALIZATION

ACCOUNT REFERENCE GROUP MIC 29

P O BOX 942879

SACRAMENTO CA 94279-0029

Sunshine Valley LLC

Attn: Benjamin Kirk

2648 E WORKMAN AVE STE 238

West Covina, CA 91791-1604

TelePacific Communications

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